

## SUCCESS STORY

## One Hundred Percent Return

One hundred small family farmers saved money through improved seedling production.



Mr. Josip Bais is very proud of the high quality seedlings produced in his newly modernized greenhouse facilities.

Mr. Bais' farm previously had outdated and low capacity seedling production before making improvements to their greenhouse facilities for seedling production and adding mechanized transplanting equipment.

Today, it produces seedlings at 15% lower price and transplanting costs have been reduced by \$26 per hectare for 100 small family farms.

Over the past ten years, Mr. Josip Bais' farm Grunt (Land) has been organizing vegetable production in the Varazdin area. Despite the fact that Kalnik, one of the largest vegetable processing plants in Croatia, was located near by, Bais and his network of 100 small family farms had few prospects for improving pepper and cucumber production to meet Kalnik's demand for quality vegetables.

Outdated equipment and low capacity seedling production facilities were the greatest constraints. In addition, the small family farms that Mr. Bais worked with were poorly equipped. With their fragmented productions, buying modern equipment individually was not cost effective approach.

With assistance from USAID, the greenhouse facility was modernized. Mechanized planting equipment such as a field transplanter, rotary hoe and mulch laying machine also helped Bais and the family farmers increase the production of high quality seedlings at lower costs.

As a result, vegetable production in the Varaždin area is expanding, generating higher incomes for producers and providing processors and retail markets with higher quality products.

Processing pepper production increased by 4.5 ha in 2005 which is a 50% increase over 2004. In spite of heavy rains and cool temperatures, 275 metric tons of processing pepper and 83 metric tons of cucumbers were harvested.

Modern equipment also helped decrease the cost of seedlings by 15% and the cost of planting the fields reduced from \$87 per hectare in 2004 to \$61 per hectare in 2005.

Story provided by Development Alternatives Inc. (DAI)